

The Gazette of India



EXTRAORDINARY

PART I—Section 1

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MINISTRY OF INTERNATIONAL TRADE

RESOLUTION

TARIFFS

New Delhi, the 21st November 1963

No. 7(3)-Tar/63.—The Tariff Commission has submitted its Report on the continuance of protection to the Cotton Textile Machinery (Spinning Ring Frames, Spindles, Spinning Rings, Fluted Rollers and Automatic Looms) Industry on the basis of an inquiry undertaken by it under Sections 11(e) and 13 of the Tariff Commission Act, 1951. Its recommendations are as follows:—

- (1) Protection granted to the industry in respect of complete spinning ring frames, spindles, spinning rings, fluted rollers and automatic looms should be extended for a further period of three years, i.e., till 31st December, 1966 at the rate of protective duty of 10 per cent *ad valorem*.
- (2) It would not be desirable to equalise at the higher level the present rates of duty levied on inserts used in ring frames and doubling frames (a non-protected item).
- (3) Instead of allocating imported looms exclusively to those mills which make it a condition to undertake production of textile fabrics for export, it may be desirable to permit a generalised absorption of imported and indigenous looms, the imported item being allowed only to the extent it is necessary for meeting the shortfall in indigenous production.
- (4) As future prospects of the industry depend on the possibility of making raw materials freely available, a physical assessment of the future requirements of raw materials for the industry and the supplies that may be forthcoming to meet it is essential.
- (5) It ought to be made a necessary condition of licensing that the producers of machinery should carry a full range of spare parts for maintenance requirements of the customers.
- (6) While steps may be taken independently to improve the quality of raw materials required by the cotton textile machinery industry, it should be the main responsibility of the manufacturers of textile machinery to maintain the quality of their products.
- (7) The schemes of assistance for exports sought by the cotton textile machinery industry go far beyond the normal pattern of export incentive schemes now in vogue. The industry should meet at least a part of the risks and costs of exports, which is a normal expectation.
- (8) It is the obligation of a protected industry to strive its utmost to avoid complaints such as supply of machinery in an incomplete condition.

2. Government accept recommendation (1) and the necessary legislation in Parliament will be undertaken in due course.

3. Government have taken note of recommendation (2).

4. Government have also taken note of recommendations (3) to (5) and steps will be taken to implement them as far as possible.

5. Attention of the manufacturers of textile machinery is drawn to recommendation (6).

6. Attention of the industry is also drawn to recommendations (7) and (8).

Order

Ordered that the Resolution be published in the Gazette of India and a copy thereof communicated to all concerned.

H. D. SHOURIE, Jt. Secy.